

TESTIMONY IN OPPOSITION TO SB 195

Greg Jergeson (406-444-6166)  
Chairman, Montana Public Service Commission  
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Mr. Chairman and Members of the Committee,

Although the Public Service Commission is strongly in favor of the same kind of broad reform of Title 69, Chapter 8, that SB 195 accomplishes, we oppose this bill. The reason the PSC opposes SB 195 is that the bill does not include an explicit process for advanced PSC approval of electricity supply resources.

The PSC believes NorthWestern Energy's customers have a better chance for stable, reasonable electricity rates in the future if NorthWestern's portfolio of electricity supply resources includes its own rate-based generation assets. However, the PSC believes NorthWestern will not build or lease generation facilities without explicit statutory provisions governing PSC preapproval of new resource acquisitions. SB 195, if passed in its current version, could doom the prospects for NorthWestern ownership of rate-based generation assets.

The PSC recommends SB 195 only be passed with amendments consistent with the preapproval process inherent in HB 434, and as we understand them, the amendments in HB 25.